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September 23, 2011

VIA ELECTRONIC FILING

Randall Dong, Esquire
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Additional Rate Case Expenses in Docket No. 2011-47-WS (Application of Carolina Water Service, Incorporated for Approval of an Increase in Its Rates for Water and Sewer Services Provided to All of Its Service Areas in South Carolina).

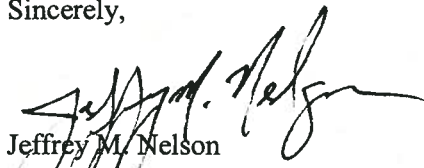
Dear Mr. Dong:

Pursuant to the ruling from the bench of Chairman Howard at the hearing in this matter on September 8, 2011, that ORS review additional rate case expenses of Carolina Water Service, Inc. ("CWS"), the Applicant filed materials with ORS on September 21, 2011. The materials provided to ORS totaled 476 pages of invoices, correspondence, bills and other documentation totaling \$415,924.46.

A review of these materials reveals that they include expenditures for Utilities, Inc. ("UI") companies other than CWS, expenditures incurred by CWS or UI in other dockets, and expenditures incurred prior to the test year. It further appears that the documentation provided may include expenses that ORS already included in the cost of service calculations contained in our testimony in this docket.

In short, CWS and UI have included a plethora of costs and expenses in their claim for "rate cases expenses" which are unrelated to this docket. ORS therefore recommends that the Company's request for additional rate case expenses in this docket be denied.

Sincerely,



Jeffrey M. Nelson

cc: Len S. Anthony, Esquire
Charles Cook, Esquire
Charles L.A. Terreni, Esquire
Joseph Timmons
Laura P. Valtorta, Esquire
Ms. Kirsten Weeks
Scott Elliott, Esquire